

GOP VS. DEMOCRATIC BUDGETS: A QUESTION OF PRIORITIES

	House GOP Budget	House Democratic Budget
Achieves a balanced budget.	NO. The GOP budget calls for deficits for as far as the eye can see, <u>never</u> achieving balance.	YES. <u>The deficit is lower than in the GOP budget in each of the next 5 years.</u> In addition, the Democratic budget gets to balance in 7 years.
Protects Social Security.	NO. Spends every penny of the Social Security surplus.	YES. Balances the budget in 7 years, thereby restoring the bipartisan promise to protect the Social Security surplus.
Reimposes pay-as-you-go (PAYGO) rules.	NO. Has <u>no</u> pay-as-you-go (PAYGO) rules to restore fiscal discipline.	YES. Reimposes pay-as-you-go rules which require both spending increases and tax cuts to be paid for and which brought us to budget surpluses in 1990s.
Targets tax cuts to the middle class.	NO. Provides billions in tax cuts, targeted to the very wealthiest taxpayers.	YES. Assumes extension of middle-class tax relief – subject to the PAYGO requirement – including child tax credit, marriage penalty relief, 10 percent individual bracket, and others.
Maintains federal commitment to Medicaid.	NO. Slashes Medicaid by up to \$20 billion over the next five years, which would have a devastating impact on the 60 million children, elderly and individuals with disabilities who rely on the program.	YES. Protects Medicaid by maintaining the current federal commitment to the program and rejecting the mandatory cuts of up to \$20 billion in the Republican budget.
Adequately funds veterans' programs.	NO. Cuts funding for veterans' health care by \$14 billion over the next 5 years below the current services level. Also requires \$798 million in reduced veterans' benefits or increased fees.	YES. Provides \$1.6 billion more in 2006 and \$17 billion more over the next five years for veterans' health care than the GOP budget. Also rejects the mandatory cuts of \$798 million in the GOP budget.
Provides funding for key education & training initiatives.	NO. Identical to the Bush budget, which underfunds No Child Left Behind by 33 percent, underfunds special education by 24 percent, underfunds Pell Grants, and cuts student loans.	YES. Provides \$4.5 billion more in 2006 and \$41 billion more over the next five years for education and training programs than the GOP budget. Includes funding to lower the cost of student loans.
Adequately funds community development.	NO. Cuts funding for community and regional development by \$8 billion over the next five years, a cut which is likely to fall on the Community Development Block Grant (CDBG).	YES. Protects the CDBG by including \$2 billion more in 2006 and \$9 billion more over the next five years for community and regional development than the GOP budget.
Provides funding for key environmental protection initiatives.	NO. Is similar to the Bush budget, which slashes Clean Water funds by 33 percent, freezes Safe Drinking Water funds, and underfunds land and water conservation programs.	YES. Provides \$2.9 billion more in 2006 and \$23 billion more over the next five years for environmental protection programs than the GOP budget.
Provides funding for key discretionary health care initiatives.	NO. Identical to the Bush budget, which slashes rural health activities, slashes health professions training, eliminates the Preventive Health Block Grant, and underfunds NIH.	YES. Provides \$2 billion more in 2006 and \$22 billion more over the next five years for discretionary health care programs than the GOP budget, including NIH and health professions training.
Provides adequate funding for programs for working families.	NO. Cuts \$18.7 billion over the next five years in programs for working families, including EITC.	YES. Rejects the mandatory cuts of \$18.7 billion in programs crucial to working families in the GOP budget.